

Introduced _____
Public Hearing _____
Council Action _____
Executive Action _____
Effective Date _____

County Council Of Howard County, Maryland

2009 Legislative Session

Legislative Day No. 3

Bill No. 14 -2009

Introduced by: The Chairperson at the request of the County Executive

AN ACT adding certain definitions; describing the accrued benefit of certain reemployed employees in job classes represented by the American Federation of State, County and Municipal Employees ("AFSCME") Local 3085; requiring certain contributions from AFSCME Local 3085 employees after a certain date; setting forth the retirement income for certain AFSCME Local 3085 employees; reordering certain provisions; making certain technical corrections; and generally related to the County's retirement plans for employees of AFSCME Local 3085.

Introduced and read first time _____, 2009. Ordered posted and hearing scheduled.

By order _____
Stephen LeGendre, Administrator

Having been posted and notice of time & place of hearing & title of Bill having been published according to Charter, the Bill was read for a second time at a public hearing on _____, 2009.

By order _____
Stephen LeGendre, Administrator

This Bill was read the third time on _____, 2009 and Passed ___, Passed with amendments ____, Failed ____.

By order _____
Stephen LeGendre, Administrator

Sealed with the County Seal and presented to the County Executive for approval this ____ day of _____, 2009 at ____ a.m./p.m.

By order _____
Stephen LeGendre, Administrator

Approved/Vetoed by the County Executive _____, 2009

Ken Ulman, County Executive

NOTE: [[text in brackets]] indicates deletions from existing law; TEXT IN SMALL CAPITALS indicates additions to existing law; Strike-out indicates material deleted by amendment; Underlining indicates material added by amendment

1 **Section 1. *Be It Enacted*** by the County Council of Howard County, Maryland that
2 subsections (e) through (aac) are renumbered to be subsections (f) through (aad) and
3 new subsection (e) is added, all to Section 1.406 “Definitions; and subsection (b) of
4 section 1.408 “Reemployment” is amended; all of Article I “Generally” of Subtitle 4
5 “Retirement Plans” of Title 1 “Human Resources” of the Howard County Code to read
6 as follows:

7 **Title 1. Human Resources.**

8 **Subtitle 4. Retirement Plans.**

9 **Article I. Generally.**

10
11 **Section 1.406. Defintions.**

12 The following terms, as used herein, unless a different meaning is clearly implied by the
13 context, shall have the following meanings:

14 (E) “AFSCME LOCAL 3085 EMPLOYEE” MEANS A COVERED INDIVIDUAL EMPLOYED BY
15 THE COUNTY IN A JOB CLASS REPRESENTED BY LOCAL 3085 OF THE AMERICAN
16 FEDERATION OF STATE, COUNTY AND MUNICIPAL EMPLOYEES.

17
18 **Section 1.408. Reemployment.**

19 If a Covered Individual who reaches a Termination Date is subsequently reemployed as a
20 Covered Individual, the Covered Individual's status with respect to the Plan shall be
21 governed by the following:

22 (b) *Vesting and benefit accrual.* Subject to subsection (d) below and Section 1.413, if
23 the reemployed Covered Individual was a Participant prior to his or her termination, his
24 or her prior Years of Eligibility Service and Years of Creditable Service shall be
25 aggregated with Years of Eligibility Service and Years of Creditable Service credited
26 after his or her Reemployment Commencement Date for purposes of determining the
27 individual's eligibility to receive, the vested percentage of, and amount of, his or her
28 Accrued Benefit (with respect to the periods before the individual's Termination Date and
29 after his or her Reemployment Commencement Date). Notwithstanding the [[foregoing,]]
30 FOREGOING:

- (1) the amount of the Accrued Benefit of a Participant who retires pursuant to Section 1.428, 1.429 or 1.431 prior to April 1, 1999 and whose Reemployment Commencement Date occurs on or after April 1, 1999 shall be determined pursuant to the terms of the Plan in effect prior to July 30, 1999 with respect to Years of Creditable service earned prior to April 1, 1999[.]; AND
- (2) THE AMOUNT OF THE ACCRUED BENEFIT OF AN AFSCME LOCAL 3085 EMPLOYEE WHO RETIRES PURSUANT TO SECTION 1.428, 1.429 OR 1.431 PRIOR TO JULY 1, ~~2009~~ 2011 AND WHOSE REEMPLOYMENT COMMENCEMENT DATE OCCURS ON OR AFTER JULY 1, ~~2009~~ 2011 SHALL BE DETERMINED PURSUANT TO THE TERMS OF THE PLAN IN EFFECT PRIOR TO JULY 1, ~~2009~~ 2011 WITH RESPECT TO YEARS OF CREDITABLE SERVICE EARNED PRIOR TO JULY 1, ~~2009~~ 2011 .

Section 2. And Be It Further Enacted by the County Council of Howard County, Maryland that paragraph (1) of subsection (a) of Section 1.426 “Pick-up contributions” is amended and Section 1.428 “Normal Retirement” is amended; both of Article III “Trust Fund” of Subtitle 4 “Retirement Plans” of Title 1 “Human Resources” of the Howard County Code to read as follows:

Title 1. Human Resources.

Subtitle 4. Retirement Plans.

Article III. Trust Fund.

Section 1.426. Pick-up contributions.

Under limited circumstances described below, Participant contributions and monies from other Government Employers may be accepted by the Plan.

(a) *Types of contributions/transfers.*

(1) *County pick-up contributions.*

- (i) Effective with the paycheck issued August 13, 1999 and in accordance with rules established by the County, each Participant who is classified as a Fully Benefited Employee shall make

1 contributions to the Plan equal to 2.0% of the Participant's Per-Pay
2 Compensation.

3 (ii) Effective with the paycheck issued January 30, 1998, and in
4 accordance with rules established by the County and in lieu of the
5 contributions made under section 1.426(a)(1)(i) or (vi), each
6 Participant who is classified as a participating Corrections
7 Employee shall make contributions to the Plan equal to 8.5% of his
8 or her Per-Pay Compensation.

9 (III) EFFECTIVE WITH THE FIRST PAYCHECK ISSUED AFTER JUNE 30, 2011,
10 AND IN ACCORDANCE WITH RULES ESTABLISHED BY THE COUNTY
11 AND IN LIEU OF THE CONTRIBUTIONS MADE UNDER SECTION
12 1.426(A)(1)(I), EACH PARTICIPANT WHO IS CLASSIFIED AS AN
13 AFSCME LOCAL 3085 EMPLOYEE SHALL MAKE CONTRIBUTIONS TO
14 THE PLAN EQUAL TO 3.0% OF HIS OR HER PER-PAY COMPENSATION.
15 THE CONTRIBUTIONS UNDER THIS SUBPARAGRAPH (III) SHALL BE
16 MADE ONLY DURING THE PERIOD WHEN THE PARTICIPANT IS AN
17 AFSCME LOCAL 3085 EMPLOYEE.

18 ~~[(iii)]~~ (IV) Notwithstanding subparagraphs ~~[(i) and (ii)]~~ (I), (II) AND (III)
19 of this paragraph, in those calendar years in which the County
20 issues 27 paychecks, no Participant contributions shall be required
21 with respect to Per-Pay Compensation reflected in the 27th
22 paycheck of the calendar year.

23 ~~[(iv)]~~ (V) The Participant contributions referred to in this paragraph shall
24 be:

- 25 a. Picked up by the Employer, as described in Section
- 26 414(h)(2) of the Internal Revenue Code;
- 27 b. Deducted from the pay of the contributing Participants as
- 28 salary reduction contributions; and
- 29 c. Paid by the Employer to the Trustees within reasonable
- 30 promptness after the total of such contributions during any

month has been determined, and in any event by the end of the succeeding month.

[[v)] (VI) The contributions made pursuant to this paragraph (1) shall be made a part of the Participant's Employee Contributions Benefit, that is, a part of his or her Accrued Benefit.

[[vi)] (VII) Effective with the paycheck issued July 21, 1995 and continuing through the paycheck issued July 30, 1999, in accordance with rules established by the county, each Participant who is classified as a Fully Benefited Employee shall make contributions to the Plan equal to the sum of:

- a. 2.0% of the Participant's per-pay compensation; and
- b. 2.0% of the Participant's per-pay compensation which exceeds the applicable per-pay social security taxable wage base.

Section 1.428. Normal retirement.

A Participant who retires on his or her Normal Retirement Date shall be entitled to receive a monthly retirement income, beginning with the 1st day of the month coincident with or next following his or her Normal Retirement Date and continuing for the remainder of the Participant's life.

(a) *Current provision--Amount of monthly retirement income--Participant who reaches a Termination Date on or after July 30, 1999.* Subject to subsection [(h)] (I) of this Section and Section 1.408(d) of this subtitle, and subject to the limitations set forth in Section 1.433 of this subtitle, the amount of the monthly retirement income of a Participant who reaches a Termination Date on or after July 30, 1999 shall be equal to:

- (1) 1.55% of the Participant's Average Compensation;
- (2) Multiplied by the Participant's Years of Creditable Service.

Notwithstanding the foregoing, the amount of the monthly retirement income of a Participant who reaches a Termination Date following a Normal or Early Retirement Date and between July 30, 1999 and July 30, 2000 shall be calculated under the provisions of the Plan in effect prior to July 30, 1999 if such calculation would result in a greater monthly benefit to the Participant.

(B) *CURRENT PROVISION--AMOUNT OF MONTHLY RETIREMENT INCOME PARTICIPANT WHO IS A PARTICIPATING CORRECTIONS EMPLOYEE AND REACHES A TERMINATION DATE ON OR AFTER JUNE 30, 2005.* SUBJECT TO SUBSECTION (I) OF THIS SECTION AND SECTION 1.408(D) OF THIS SUBTITLE, AND SUBJECT TO THE LIMITATIONS SET FORTH IN SECTION 1.433 OF THIS SUBTITLE, THE AMOUNT OF THE MONTHLY RETIREMENT INCOME OF A PARTICIPATING CORRECTIONS EMPLOYEE WHO REACHES A TERMINATION DATE ON OR AFTER JUNE 30, 2005 SHALL BE EQUAL TO THE SUM OF PARAGRAPHS (1) AND (2) WHERE:

(1) EQUALS:

- (I) 2.5% OF THE PARTICIPANT'S AVERAGE COMPENSATION;
 - (II) MULTIPLIED BY THE PARTICIPANT'S YEARS OF CREDITABLE SERVICE TO A MAXIMUM OF 20 YEARS OF CREDITABLE SERVICE;
- AND

(2) EQUALS:

- (I) 1.00% OF THE PARTICIPANT'S AVERAGE COMPENSATION;
- (II) MULTIPLIED BY THE PARTICIPANT'S YEARS OF CREDITABLE SERVICE IN EXCESS OF 20 YEARS OF CREDITABLE SERVICE (BUT NOT IN EXCESS OF 30 YEARS OF CREDITABLE SERVICE).

(C) *CURRENT PROVISION--AMOUNT OF MONTHLY RETIREMENT INCOME—AFSCME LOCAL 3085 EMPLOYEE WHO REACHES A TERMINATION DATE ON OR AFTER JUNE 30, ~~2009~~ 2011.* SUBJECT TO SUBSECTION (I) OF THIS SECTION AND SECTION 1.408(D) OF THIS SUBTITLE, AND SUBJECT TO THE LIMITATIONS SET FORTH IN SECTION 1.433 OF THIS SUBTITLE, THE AMOUNT OF THE MONTHLY RETIREMENT INCOME OF AN AFSCME LOCAL 3085 EMPLOYEE WHO REACHES A TERMINATION DATE ON OR AFTER JUNE 30, ~~2009~~ 2011 SHALL BE EQUAL TO THE SUM OF PARAGRAPHS (1) AND (2) OF THIS SUBSECTION WHERE:

(1) EQUALS

- (I) 1.66% OF THE PARTICIPANT'S AVERAGE COMPENSATION;
- (II) MULTIPLIED BY THE ~~SUM OF THE PARTICIPANT'S YEARS OF CREDITABLE SERVICE EARNED PRIOR TO JULY 1, 2009 PLUS THE~~ PARTICIPANT'S YEARS OF CREDITABLE SERVICE EARNED AS AN AFSCME LOCAL 3085 EMPLOYEE ~~ON OR AFTER JULY 1, 2009~~; AND

(2) EQUALS:

1 (I) 1.55% OF THE EMPLOYEE'S PARTICIPANT'S AVERAGE
2 COMPENSATION;
3 (II) MULTIPLIED BY THE PARTICIPANT'S YEARS OF CREDITABLE
4 SERVICE OTHER THAN HIS OR HER YEARS OF CREDITABLE SERVICE
5 ~~DESCRIBED IN SUBPARAGRAPH (II) OF PARAGRAPH (1) ABOVE.~~
6 EARNED AS AN AFSCME LOCAL 3085 EMPLOYEE.
7 FOR PURPOSES OF THIS SUBSECTION (C), ALL YEARS OF CREDITABLE
8 SERVICE EARNED PRIOR TO JULY 1, 2011 BY A PARTICIPANT WHO
9 WAS AN AFSCME LOCAL 3085 EMPLOYEE ON JUNE 30, 2011 WILL
10 BE CONSIDERED YEARS OF CREDITABLE SERVICE AS AN AFSCME
11 LOCAL 3085 EMPLOYEE.

12 *[[(b) Current]] (D) HISTORICAL provision--Amount of monthly retirement income--Participant*
13 *who [[becomes]] BECAME a Corrections Employee after December 31, 1997 and [[reaches]]*
14 *REACHED a Termination Date between July 30, 1999 and June 30, 2005. Subject to subsection*
15 *[[(h)]] (I) of this Section and Section 1.408(d) of this subtitle, and subject to the limitations set*
16 *forth in Section 1.433 of this subtitle, the amount of the monthly retirement income of a*
17 *Participant who [[earns]] EARNED his or her first Hour of Service as a Corrections Employee after*
18 *December 31, 1997 and who [[reaches]] REACHED a Termination Date between July 30, 1999 and*
19 *June 30, 2005 shall be equal to the sum of paragraphs (1) and (2) of this subsection where:*

- 20 (1) *[[(1)]] equals:*
21 (i) 2.0% of the Participant's Average Compensation;
22 (ii) Multiplied by the Participant's Years of Creditable Service as a Participating
23 Corrections Employee, to a maximum of 30 Year[s] of Creditable
24 Service; and
25 (2) *[[(2)]] equals:*
26 (i) 1.55% of the Participant's Average Compensation.
27 (ii) Multiplied by the Participant's Years of Creditable Service (if any) not
28 earned as a Corrections Employee.

29 *[[(c) Current]] (E) HISTORICAL provision--Amount of monthly retirement income--Participant*
30 *who [[elects]] ELECTED to become a Participating Corrections Employee as of January 1, 1998*
31 *and [[reaches]] REACHED a Termination Date between July 30, 1999 and June 30, 2005. Subject*
32 *to subsection [[(h)]] (I) of this Section and Section 1.408(d) of this subtitle, and subject to the*
33 *limitations set forth in Section 1.433 of this subtitle, the amount of the monthly retirement income*

1 of a Corrections Employee who [[elects]] ELECTED to become a Participating Corrections
2 Employee as of January 1, 1998 and who [[reaches]] REACHED a Termination Date between July
3 30, 1999 and June 30, 2005 pursuant to Section 1.410(a) of this subtitle shall be equal to the sum
4 of paragraphs (1) and (2) where:

5 (1) [[(1)]] equals:

6 (i) 1.55% of the Participant's Average Compensation;

7 (ii) Multiplied by the Participant's Years of Class B Creditable Service and

8 (2) [[(2)]] equals:

9 (i) 2.0% of the Participant's Average Compensation;

10 (ii) Multiplied by the Participant's Years of Class A Creditable Service.

11 *[[d) Future provision--Amount of monthly retirement income Participant who is a Participating*
12 *Corrections Employee and reaches a Termination Date on or after June 30, 2005. Subject to*
13 *subsection (h) of this Section and Section 1.408(d) of this subtitle, and subject to the limitations*
14 *set forth in Section 1.433 of this subtitle, the amount of the monthly retirement income of a*
15 *Participating Corrections Employee who reaches a Termination Date on or after June 30, 2005*
16 *shall be equal to the sum of paragraphs (1) and (2) where:*

17 (1) (1) Equals:

18 (i) 2.5% of the Participant's Average Compensation;

19 (ii) Multiplied by the Participant's Years of Creditable Service to a maximum
20 of 20 Years of Creditable Service; and

21 (2) (2) Equals:

22 (i) 1.00% of the Participant's Average Compensation;

23 (ii) Multiplied by the Participant's Years of Creditable Service in excess of
24 20 Years of Creditable Service (but not in excess of 30 Years of
25 Creditable Service).]]

26 *[[e)] (F) Historical provision--Amount of monthly retirement income--Participant who became*
27 *a Covered Individual after June 30, 1995 and reached a termination prior to July 30, 1999.*

28 Subject to subsection [[(h)] (i) of this Section and Section 1.408(d) of this subtitle, and subject to
29 the limitations set forth in Section 1.433 of this subtitle, the amount of the monthly retirement
30 income of a Participant who became a Covered Individual after June 30, 1995 and who reached a
31 Termination Date prior to July 30, 1999 shall be equal to:

32 (1) The sum of 1.3% of the Participant's Average Compensation and 0.5% of the
33 Participant's Average Compensation that exceeded one-twelfth (1/12) of his or
34 her Covered Compensation;

1 (2) Multiplied by the Participant's Years of Creditable Service.

2 ~~[(f)]~~ (G) *Historical provision--Amount of monthly retirement income--Participant who has*
3 *elected to receive service under the Maryland State Retirement Systems and reached a*
4 *termination prior to July 30, 1999.* Subject to subsection ~~[(h)]~~ (I) of this Section and Section
5 1.408(d) of this subtitle, and subject to the limitations set forth in Section 1.433 of this subtitle,
6 the amount of the monthly retirement income of a Participant who has elected to receive credit for
7 service under the Maryland State Retirement Systems pursuant to Section 1.417(d) of this subtitle
8 and who reached a Termination Date prior to July 30, 1999 shall be equal to the sum of
9 paragraphs (1) and (2) of this subsection, where:

10 (1) ~~[(1)]~~ equals:

11 (i) The sum of 0.8% of the Participant's Average Compensation and 0.7% of
12 the Participant's Average Compensation that exceeded one-twelfth (1/12)
13 of his or her Covered Compensation;

14 (ii) Multiplied by the Participant's Years of State Plan Creditable Service,
15 and

16 (2) ~~[(2)]~~ equals:

17 (i) The sum of 1.3% of the Participant's Average Compensation and 0.5% of
18 the Participant's Average Compensation that exceeded one-twelfth (1/12)
19 of his or her Covered Compensation;

20 (ii) Multiplied by the Participant's Years of County Plan Creditable Service.

21 ~~[(g)]~~ (H) *Historical provision--Amount of monthly retirement income--Participant who elected*
22 *to become a Participating Corrections Employee as of January 1, 1998 and reached a*
23 *Termination Date prior to July 30, 1999.* Subject to subsection ~~[(h)]~~ (I) of this Section and
24 Section 1.408(d) of this subtitle, and subject to the limitations set forth in Section 1.433 of this
25 subtitle, the amount of the monthly retirement income of a Corrections Employee who elected to
26 become a Participating Corrections Employee as of January 1, 1998 pursuant to Section 1.410(a)
27 of this subtitle shall be equal to the sum of paragraphs (1), (2) and (3), where:

28 (1) ~~[(1)]~~ equals:

29 (i) The sum of 0.8% of the Participant's Average Compensation and 0.7% of
30 the Participant's Average Compensation that exceeded one-twelfth (1/12)
31 of his or her Covered Compensation;

32 (ii) Multiplied by the Participant's Years of Class C Creditable Service; and

33 (2) ~~[(2)]~~ equals:

- 1 (i) The sum of 1.3% of the Participant's Average Compensation and 0.5% of
2 the Participant's Average Compensation that exceeded one-twelfth (1/12)
3 of his or her Covered Compensation;
- 4 (ii) Multiplied by the Participant's Years of Class D Creditable Service; and
- 5 (3) ~~[[3]]~~ equals:
- 6 (i) 2.0% of the Participant's Average Compensation;
- 7 (ii) Multiplied by the Participant's Years of Class A Creditable Service.
- 8 ~~[[h]]~~ (i) *Unused disability leave.*
- 9 (1) For purposes of determining the amount of the Participant's retirement benefit
10 payable pursuant to Sections 1.428--1.432, and for purposes of determining the
11 amount of a surviving spouse annuity benefit pursuant to Section 1.439(b), the
12 Participant shall receive additional Years of Creditable Service for unused
13 disability leave.
- 14 (2) Such unused disability leave shall be credited at the rate of one-twelfth (1/12) of
15 a Year of Creditable Service for each 22 days of unused disability leave accrued
16 by the Participant as of his or her Termination Date.
- 17 (3) If, after crediting unused disability leave in multiples of 22 days, 11 or more days
18 remain uncredited, the Participant shall receive an additional one-twelfth (1/12)
19 of a Year of Creditable Service.
- 20 (4) Generally, the benefit attributable to Years of Creditable Service for unused
21 disability leave for a Participating Corrections Employee shall be calculated by
22 multiplying 2.0% of his or her Average Compensation times such Years of
23 Creditable Service. However, where a Participating Corrections Employee
24 receives a monthly benefit calculated under section 1.428(d) of this subtitle, the
25 benefit attributable to his or her Years of Creditable Service for unused disability
26 leave shall be calculated by multiplying 1.0% of his or her Average
27 Compensation times such Years of Creditable Service.
- 28 (5) THE BENEFIT ATTRIBUTABLE TO YEARS OF CREDITABLE SERVICE FOR
29 UNUSED DISABILITY LEAVE FOR A PARTICIPANT WHO REACHES HIS OR HER
30 TERMINATION DATE AS AN AFSCME LOCAL 3085 EMPLOYEE ON OR AFTER
31 JUNE 30, ~~2009~~ 2011 SHALL BE CALCULATED BY MULTIPLYING 1.66% OF HIS
32 OR HER AVERAGE COMPENSATION TIMES SUCH YEARS OF CREDITABLE
33 SERVICE.

1

2 ***Section 3. And Be It Further Enacted** by the County Council of Howard County,*
3 *Maryland, that this Act shall become effective 61 days after its enactment.*